Government of Saskatchewan

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending February 21, 2014

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Feeder Cattle

Steers

	Range	Average	Change from last week
300-400	192-225	211.38	+11.25
400-500	195-225	210.00	+5.83
500-600	189-216	198.75	+5.17
600-700	176-198	186.59	+1.89
700-800	163-180	171.31	+0.01
800-900	154-171	162.80	+4.05
900+	145-165	154.00	+0.12

Heifers

	Range	Average	Change from last week
300-400	170-185	176.67	-4.96
400-500	175-195	183.63	+2.69
500-600	168-190	177.06	+2.06
600-700	157-178	166.28	+3.61
700-800	147-162	154.33	+3.13
800+	134-157	146.21	+1.46

Source: Canfax.

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week.

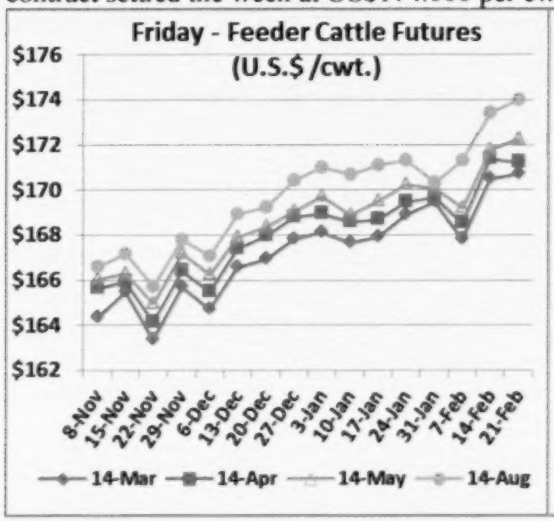
Canfax reported that a total of 18,735 head of cattle were sold in Saskatchewan this week, up from 15,884 head marketed the previous week.

Saskatchewan feeder prices **were at new record highs** for almost all feeder steer classes and most feeder heifer classes. Average prices for feeder steers were overall higher over the week. Prices ranged from unchanged to $11.25 per cwt higher, from the previous week. The light weight feeder steers in the 300-400 lb. weight category had the largest gain over the week while all feeder steers below 600 lb. had strong gains over $5 per cwt. No categories had losses but the 700-800 lb. and over 900+ lb. weight categories were almost unchanged from the previous week.

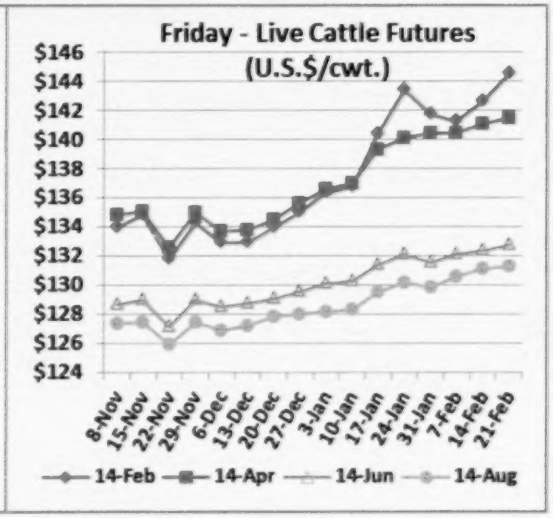
Feeder heifer prices were mostly higher over the week. Feeder heifer prices ranged from $4.96 per cwt lower to $3.61 per cwt higher, from the previous week. The 300-400 lb. weight category had the only losses over the week at $4.96 per cwt while the 600-700 lb. weight category had the largest gain increasing $3.61 per cwt.

The Saskatchewan 750 lb. feeder steer basis compared to the February 20, 2014 U.S. feeder cattle index at US$170.77 per cwt was calculated at -$18.81 per cwt (US$170.77/0.8982 - $171.31), a basis widening of $1.66 per cwt from -$17.15 per cwt on February 13, 2014.

Feeder cattle futures prices were mixed but overall slightly higher over the week. The March to August 2014 contracts ranged from US$0.150 per cwt lower to US$0.550 per cwt higher, week-over-week. The March contract settled the week at US$170.700 per cwt while the August contract settled the week at US$174.000 per cwt.



Source: CME



Source: CME

Live cattle futures prices were higher over the week with the February to August 2014 contracts increasing between US$0.150 per cwt and US$1.950 per cwt. The nearby February contract increased the most at US$1.950 per cwt and settled the week at US$144.550 per cwt. The August contract increased US$0.150 per cwt and settled the week at US$131.300 per cwt.

Iowa cash corn prices and the nearby corn futures were higher over the week. The Iowa cash price as of Friday was US$4.39 per bushel, up 8 cents from US$4.31 per bushel the previous Friday. The March corn futures contract was almost 8 cents higher to settle Friday at US$4.530 per bushel while the May contract was just over 8 cents higher to settle at US$4.590 per bushel.

Fed and Non-fed Cattle

	February 21	February 14	Change
Cows (Alberta)			
D1,2 Live	90.20	88.42	+1.78
D3 Live	80.13	79.83	+0.30
Rail	176-181	175-180	+1.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were higher over the week with D1,2 slaughter cows increasing $1.78 per cwt to average a new record price of $90.20 per cwt. The price of D3 slaughter cows increased $0.30 per cwt from the previous week to average $80.13 per cwt. There were no fed cattle prices reported in Western Canada over the week. Fed steer prices in Ontario were reported $1.27 per cwt higher than previous week to average $145.86 per cwt. Fed steers in Alberta the previous week (Feb. 14) were reported to average $135.09 per cwt.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at a US$145.54 per cwt, up US$3.65 per cwt from US$141.89 per cwt the previous week, and up 17.5 per cent from US$123.82 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$230.55 per cwt, up US$5.65 per cwt from US$224.90 per cwt the previous week, and up 16.9 per cent from US$197.16 per cwt the same week a year ago.

Choice beef cutout prices (600-900 lb.) averaged US$212.98 per cwt, up US$4.65 per cwt from US$208.83 per cwt the previous week, and up 16.7 per cent from US$182.51 per cwt the same week a year ago. Beef production for the week averaged 433.3 million lb., up 0.3 per cent from 431.8 million lb. the previous week, but down 4.3 per cent from 452.6 million lb. the same week a year ago.

USDA released the latest U.S. cold storage numbers on February 21. The U.S. beef stocks in cold storage totaled 429.3 million lb. on January 31, 2014, down 2.3 per cent from 439.4 million lb. on December 31, 2013, and down 11.4 per cent from 484.6 million lb. on January 31, 2013. Tighter beef supplies at the end of January were likely a factor why the beef cutout prices surged to record levels in January.

On Friday February 21, 2014, the United States Department of Agriculture (USDA) released the monthly *Cattle on Feed Report* for February 1, 2014.

February 1, 2013 and 2014, Cattle on Feed (in U.S. feedlots with 1,000+ capacity)

	2013	2014	Per cent of previous year
On feed January 1	11,172,000	10,590,000	94.8
Placed during January	1,869,000	2,029,000	108.6
Marketed during January	1,892,000	1,788,000	94.5
Other disappearance during January	74,000	77,000	104.1
On feed February 1	11,070,000	10,760,000	97.2

Source: USDA

The USDA Cattle on Feed (COF) report indicated that the number of cattle placed on feed in January 2014 was 2.029 million head, up 8.6 per cent from January 2013, and up 20.8 per cent from 1.679 million head in December 2013. The number of fed cattle marketed in January 2014 was 1.788 million head, down 5.5 per cent from 1.892 million head in January 2013, but up 3.0 per cent from 1.736 million head marketed in December 2013. The January cattle placements were over five per cent higher than the average trade estimates (102.8) while the cattle marketed in January were less than one per cent below the average trade estimates (95.2). The cattle on feed for February 1, 2014 were estimated at 10.760 million head, 2.8 per cent below the Feb. 1, 2013 inventory numbers, and 1.6 per cent below the January 2014 numbers. The February 1 cattle on feed numbers were over one per cent higher than the average trade estimates (96.0).
The cattle on feed report had higher January placements and cattle on feed as of February 1, compared to the average trade estimates, and could be viewed a little bearish.

Friday Price Information

Product		This Week (February 21)	Week of: (February 14)
Canadian Dollar (closing rate US$)		.8982	.9105
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		170.77	171.58
Seven-day Weighted Average FC Index Wt. (lb.)		754	747
Live Fed 5-area Steer Price (US$ per cwt)		145.54	141.89
Feed Grains			
Barley	Lethbridge ($/tonne)	170.00	170.00
	($ per bu.)	3.70	3.70
Corn	Iowa State Average (CDN$/tonne)*	192.41	186.35
	(US$ per bu.)	4.39	4.31
	Omaha, NE (CDN$/tonne)*	184.09	185.92
	(US$ per bu.)	4.20	4.30
Futures			
	March Corn (US$ per bu.)	4.53	4.45¼
	May Corn (US$ per bu.)	4.59	4.50¾
	February Live Cattle (US$ per cwt)	144.550	142.600
	April Live Cattle (US$ per cwt)	141.450	141.100
	March Feeder Cattle (US$ per cwt)	170.700	170.475
	May Feeder Cattle (US$ per cwt)	171.200	171.350

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship,
Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate

Note: Cow-calf producers in Saskatchewan are reminded to check with their local market operators regarding current market conditions for non-fed cattle. Producers are also reminded that old, thin cows have a very low market value. The non-fed prices quoted each week do not represent the market price for these animals. As an alternative to transporting these animals, you may want to check with your local veterinarian or the nearest Canadian Food Inspection Agency (CFIA) office to see if these animals are eligible for testing as part of the bovine spongiform encephalopathy (BSE) surveillance program. Producers receive $75 from the CFIA for each eligible sample submitted. The goal of this program is to prove that the BSE control measures implemented in Canada are working.

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